

January 13, 2011

Bill Pope
Operating Engineers Local Union No. 3
1654 The Alameda, Suite 110
San Jose, CA 95126

Re: Fiscal Year 2011-2012 Negotiations

Dear Mr. Pope:

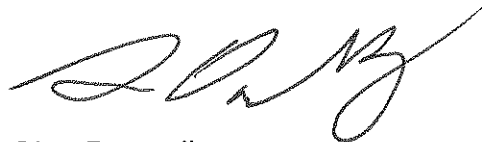
We are in receipt of your letter dated January 5, 2010, regarding negotiations. We appreciate you getting back to us in a timely manner.

We will respond separately on negotiations over retirement benefits. As for scheduling time to discuss negotiations on a successor contract, we are unfortunately not available to meet on the day you specified. However, we are available on the following dates and times:

- January 19th (Wednesday) - 9:00 to 10:00 a.m.
- January 26th (Wednesday) - 9:00 to 10:00 a.m.

Please let us know if OE#3 would be available to meet during one of the above dates and times.

Sincerely,



Gina Donnelly
Deputy Director of Employee Relations

c: Alex Gurza, Director of Employee Relations
Jennifer Schembri, Senior Executive Analyst